UNITED NATIONS **A**

General Assembly

Distr.
GENERAL

A/RES/49/94
7 February 1995

Forty-ninth session
Agenda item 87 (c) and (d)

RESOLUTION ADOPTED BY THE GENERAL ASSEMBLY

[on the report of the Second Committee (A/49/727/Add.2)]

49/94. Enhanced international cooperation towards a durable solution to the external debt problem of developing countries

The General Assembly,

Recalling its resolutions 41/202 of 8 December 1986, 42/198 of 11 December 1987, 43/198 of 20 December 1988, 44/205 of 22 December 1989, 45/214 of 21 December 1990, 46/148 and 46/151 of 18 December 1991 and 47/198 of 22 December 1992, and reaffirming its resolution 48/182 of 21 December 1993,

Reaffirming its resolutions 48/165 of 21 December 1993 on the renewal of the dialogue on strengthening international economic cooperation for development through partnership and 48/166 of 21 December 1993 on an agenda for development,

Noting the improvement in the debt situation of a number of developing countries since the second half of the 1980s and the contribution that the evolving debt strategy, as applied by the international community, has made to this improvement,

Noting with appreciation the debt relief measures undertaken by creditor countries both within the framework of the Paris Club and through their cancellations and equivalent relief of bilateral official debt,

Noting also that, owing to uneven developments in the context of the evolving international debt strategy, further progress, including concrete measures and innovative approaches, is essential for the achievement of an effective, equitable, development-oriented and durable solution to the external debt problems of a large number of developing countries, particularly the poorest and most heavily indebted countries,

Welcoming the fact that some developing countries have made substantial progress towards resolving their debt difficulties,

Noting with concern the continuing debt and debt-service problems of indebted developing countries, as an element adversely affecting their development efforts and economic growth, and reiterating the need to address and resolve those problems through effective relief measures, including, where appropriate, substantial debt-reduction measures, bearing in mind the special and critical situation of the most indebted developing countries in Africa and the least developed countries,

Stressing the importance of alleviating the onerous debt and debt-service burdens connected with various types of debt of many developing countries, on the basis of an equitable and durable approach and, where appropriate, addressing the full stock of debt of the poorest and most indebted developing countries as a matter of priority,

Emphasizing the importance for debtor developing countries of continuing to pursue and intensify their efforts with respect to economic reforms, stabilization and structural adjustment programmes, in order to raise savings and investments, to reduce inflation and to improve economic efficiency, taking into account the need to address the social aspects of development, including the eradication of poverty, and their individual characteristics, as well as the vulnerability of the poorer strata of their populations,

Expressing its concern that in a number of developing countries which are making continuous and strenuous economic reform efforts, the burden of debt and debt service continues to constitute a major obstacle to the revitalization of economic growth and development of those countries, in particular of the least developed countries,

Noting that those developing countries which have continued, at great cost to themselves, to meet their international debt and debt-service obligations in a timely fashion, have done so despite serious external and domestic financial constraints,

Stressing the need for continuing global economic growth and the necessity of a continuing supportive international economic environment with regard to, inter alia, terms of trade, commodity prices, improved market access, trade practices, access to technology, exchange rates and international interest rates, and noting the continued need for resources for sustained economic growth and sustainable development of the developing countries,

Noting, while addressing the debt problems of developing countries, the situations in some creditor countries with economies in transition,

Taking note of the result of the Ministerial Meeting of the Non-Aligned Countries on Debt and Development, held at Jakarta from 13 to 15 August 1994, and its findings and recommendations, 1/

Also taking note of the communiqué of the fifty-first Meeting of Ministers of the Intergovernmental Group of Twenty-Four on International

---

1/ A/49/367, annex I.

Monetary Affairs, held at Madrid on 1 October 1994, and the communiqué of the forty-ninth Meeting of the Joint Ministerial Committee of the Boards of Governors of the World Bank and the International Monetary Fund, held at Madrid on 3 October 1994,

Further taking note of the communiqué of the Summit of the group of seven major industrial countries, held at Naples, Italy, from 8 to 10 July 1994, 2/

1. Takes note with appreciation of the report of the Secretary-General on the developing country debt situation as of mid-1994; 3/

2. Recognizes that a durable solution to the debt problems of the poorest and heavily indebted developing countries suggests even more favourable terms of debt relief measures, including a reduction of the stock of debt, and encourages the Paris Club and its members to pursue vigorously efforts to improve the terms applied to the poorest and heavily indebted developing countries, including, where appropriate, a reduction in bilateral official debt sufficient to help them to exit from the rescheduling process and thus contribute to the prospect of those countries to resume growth and development;

3. Emphasizes the importance for developing countries to continue their efforts to promote a favourable environment for attracting foreign investment, thereby promoting economic growth and sustainable development, and stresses the need for the international community to promote a conducive external economic environment through, inter alia, improved market access, stabilization of exchange rates, the effective stewardship of international interest rates and increased resource flows, as well as improved access to technology for the developing countries;

4. Calls upon the international community to implement fully the agreements of the Uruguay Round of multilateral trade negotiations 4/ and to continue its support for an open, free, equitable, non-discriminatory and rule-based international trading system that improves access to markets of all countries in order to ensure sustained economic growth and sustainable development, taking into account special and differential treatment agreed for developing countries, in particular the least developed countries, as well as technical assistance for developing countries, thereby enhancing their opportunities for, inter alia, alleviating their debt problems;

5. Welcomes the write-off by certain creditor countries of a significant part of the bilateral official debt of the least developed countries, and invites them, whenever possible, to cancel official development assistance debt or provide relief with similar effect for the least developed countries, particularly those in Africa;

2/ A/49/228-S/1994/827, annex I.

3/ A/49/338.

4/ Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, done at Marrakesh on 15 April 1994 (GATT secretariat publication, Sales No. GATT/1994-7), vols. 1 to 31.

6. Calls upon the donor countries and multilateral financial institutions, within their prerogatives, to consider appropriate new measures for substantially alleviating the debt burden of low-income countries, taking into account the specific situation of each country;

7. Encourages private creditors and, in particular, commercial banks to continue their initiatives and efforts to address the commercial debt problems of the least developed countries and of low- and middle-income developing countries;

8. Notes with concern the continuing existence of the debt and debt-service obligations of middle-income countries, including, in particular, those in Africa, and invites creditors, including multilateral financial institutions and commercial banks, to continue to address these obligations effectively;

9. Stresses the need, in addition to debt-relief measures that include debt and debt-service reduction, for new financial flows to debtor developing countries, and urges the creditor countries and multilateral financial institutions to continue to extend concessional financial assistance, particularly to the least developed countries, in order to support the implementation of economic reforms, stabilization and structural adjustment programmes and the eradication of poverty by the developing countries so as to enable them to extricate themselves from the debt overhang and to assist them in achieving sustained economic growth and sustainable development;

10. Also stresses the urgent need to continue to provide social safety nets to vulnerable groups most adversely affected by the implementation of economic reform programmes in the debtor countries, in particular low-income groups;

11. Notes the high proportion of multilateral debt of a number of developing countries, and invites the international financial institutions to examine proposals to tackle the problems of those countries with regard to multilateral debt, taking into account the specific situation of each country, while preserving the preferred creditor status of the multilateral financial institutions, in order to ensure that they can continue to provide concessional financing to those developing countries to assist their development;

12. Urges the international community to consider wider application of innovative measures, such as debt-for-equity and debt-for-nature swaps, without prejudice to more durable solutions such as debt reduction and/or cancellation;

13. Invites the international community, including the international financial institutions, to continue to explore ways of implementing additional and innovative measures to alleviate substantially the debt burdens of developing countries, in particular of the highly indebted low-income countries, in order to help them to achieve sustained economic growth and sustainable development without falling into a new debt crisis;

14. Calls upon the international community, including the relevant international institutions, to build upon the momentum gained from various recent meetings that addressed debt issues and to address the debt problems of

developing countries, particularly those of the least developed countries, in the elaboration of an agenda for development in order to further promote effective, equitable and durable solutions to these problems;

15. Invites creditor countries, private banks and multilateral financial institutions, within their prerogatives, to consider the extension of appropriate new financial support to the low-income countries with substantial debt burdens that continue, at great cost, to service the debt and meet their international obligations;

16. Recognizes the need to assist developing countries to mobilize the resources needed for their development efforts, and recognizes also that debt relief could contribute towards releasing domestic resources and to sustaining their development efforts, in particular their social development efforts;

17. Requests the Secretary-General to report to the General Assembly at its fiftieth session on the implementation of the present resolution.

92nd plenary meeting
19 December 1994